GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

MA&UD Department - Swachh Andhra Corporation - Administrative Sanction for an amount of Rs.40.27 Crores towards annual budgetary support of GoAP for treatment of waste and assistance for both Compost & Scientific Land Fill projects under Solid Waste Management-Accorded-Orders-Issued.

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MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT (B2) DEPARTMENT

G.O.RT.No. 5 Dated: 02-01-2017
Read:

From the MD, SAC A.P. Vijayawada, Lr.No.SAC/COO/F.82/16. D.No.158, Dt.31.10.2016.

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**ORDER:**

In the reference read above, the Managing Director, Swachh Andhra Corporation has stated that, for sustainability of Solid Waste Management projects, where the quantities are less than 200 TPD, the most feasible option is generation of compost from Municipal Solid Waste (MSW), which involves generation of compost from the waste after segregation and about 20% of the MSW will be the inerts which have to be scientifically managed. For this purpose Scientific Land Fill (SLF) is required which involves both capital expenditure and maintenance expenditure. The Swachha Andhra Corporation has issued EOI and Request for Proposals to establish Municipal Solid Waste Management projects under PPP mode. Government of India is providing Rs. 1500/- ton of compost generated towards marketing subsidy to the developer.

2. The Managing Director, Swachh Andhra Corporation has further stated that, to make the projects viable and attract the private investor, normally tipping is paid to the developers on the quantity of waste supplied to the developer. It is now proposed to pay the tipping fee based on the compost generated which shall be as per the FCO norms as measure of output based incentive. The tipping fee per ton of compost generated will be the bidding parameter apart from the weight age. Approximately about Rs.40 Crores will be the budgetary support required assuming all the projects will take off. Actual tipping fee will be determined only after completion of the bidding process. Without tipping fee, the projects will not become viable and Urban Local Bodies will be failing to comply the MSWM Rules 2016. As per the schedule the work orders will be issued shortly and the projects would be commissioned by August 2017.

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3. The Managing Director, Swachh Andhra Corporation has further stated that the following will be the approximate cost of treatment of waste and assistance required:

| S. No | Waste Qty in TPD | Approx. total compost quantity in TPD (30%) | Approx. cost of waste processing include SLF in Rs per Ton | GoI marketing subsidy in Rs per Ton | Required GoAP support Rs per Ton | Annual support of GoAP required (Rs. In Crs) |
|---|---|---|---|---|---|---|
| 1 | Upto 10 | 15 | 5226 | 1500 | 3726 | 2.01 |
| 2 | 10-25 | 180 | 4789 | 1500 | 3289 | 21.62 |
| 3 | 25 – 50 | 134 | 3337 | 1500 | 1837 | 9.00 |
| 4 | 50-100 | 64 | 2773 | 1500 | 1273 | 3.00 |
| 5 | > 100 | 141 | 2401 | 1500 | 901 | 4.64 |
| | **Total** | **535** | | | | 40.27 |

4. Government after careful examination of the matter, hereby accord Administrative sanction for an amount of Rs.40.27 Crores (Rupees Forty crores and twenty seven lakhs only) towards annual budgetary support of Govt.of A.P. for treatment of waste and assistance for both Compost & Scientific Land Fill projects under Solid Waste Management.

5. The Managing Director, Swachh Andhra Corporation shall submit necessary proposals for release of funds as per the need during this Financial Year.

6. The Managing Director, Swachh Andhra Corporation shall take further necessary action to submit sufficient proposals to the Municipal Administration & Urban Development Department/Finance Department in the Budget Estimates 2017-18 also.

7. This order issues with the concurrence of the Finance Department vide their U.O.No.44027/323/2016-SO(FMU(I,E,M)) dated 21.12.2016.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

R. KARIKAL VALAVEN,
PRINCIPAL SECRETARY TO GOVERNMENT.

To
The Managing Director, Swachh Andhra Corporation,
A.P. Vijayawada.

Contd.3

Copy to: The DMA, A.P. Guntur.
The Joint Secretary & Mission Director (SBM),
Government of India,
Ministry of Urban Development,
Nirman Bhavan, New Delhi
The AG, A.P., Hyderabad.
The DTA, A.P. Vijayawada.
The Finance (FMU (I,E,M) Department.
The Finance (Budget) Department.
The OSD to Hon'ble M(MA).
The PS to Prl.Secretary to Govt., MA&UD Department.
The MA&UD (Budget) Section.
Sf/Sc

// FORWARDED:: BY ORDER //

SECTION OFFICER.